

FINDING OF EMERGENCY

These regulations are being implemented on an emergency basis for the immediate preservation of the public peace, health and safety, or general welfare, within the meaning of Government Code Section 11346.1.

DESCRIPTION OF SPECIFIC FACTS WHICH CONSTITUTE THE EMERGENCY

1. The United States Department of Agriculture (USDA), Food and Nutrition Service (FNS) released Administrative Notice (AN) 03-23 dated May 1, 2003, transmitting the final rule on Anticipating Income and Reporting Changes. This Rule, published in the Federal Register, Vol. 68, No. 82 dated April 29, 2003, finalizes provisions of a proposed rulemaking first published in December 17, 1996. The requirements of the regulatory provisions in 7 Code of Federal Regulations (CFR) Sections 273.12(a)(1)(i)(A), 273.12(a)(1)(i)(B), 273.12(a)(1)(i)(C)(2), and 273.21(f)(2)(v), must be implemented by November 1, 2003.
2. The nonemergency rulemaking process, as defined in the Administrative Procedures Act would not allow these regulations to be implemented by November 1, 2003.
3. A delay in the implementation of these regulations may put the California Department of Social Services (CDSS) at risk of legal action that could be brought about by households who have not been granted appropriate benefits due to the lack of implementing these regulation changes.
4. Therefore, to decrease the risk of legal action against CDSS and to protect the health and safety of California's food stamp households, these regulations are adopted on an emergency basis.

INFORMATIVE DIGEST

On May 1, 2003, FNS released USDA AN 03-23 transmitting the final rule on Anticipating Income and Reporting Changes. This Rule, published in the Federal Register, Vol. 68, No. 82 dated April 29, 2003, finalizes provisions of a proposed rulemaking first published on December 17, 1996. The requirements of the regulatory provisions, in 7 CFR Part 273, that the State will be implementing are as follows: 1) The current requirement that change reporting households report a change of more than \$25 in monthly gross income will be increased to more than \$50 for unearned income and to more than \$100 for earned income, and 2) a technical amendment addressing procedures for the handling of certain recurring income in a retrospective budgeting system.

As a result of federal regulation changes, CDSS has a mandate to implement changes in the Food Stamp Program by November 1, 2003.

These proposed regulations align the state regulations with the federal regulations for anticipating income and reporting changes.

COST ESTIMATE

1. Costs or Savings to State Agencies: None.
2. Costs to Local Agencies or School Districts: None.
3. Nondiscretionary Costs or Savings to Local Agencies: None.
4. Federal Funding to State Agencies: None.

LOCAL MANDATE STATEMENT

These regulations do impose a mandate on local agencies, county welfare departments, and school districts. There are no state-mandated local costs in these regulations which require state reimbursement under Section 17500 et seq. of the Government Code because these regulations implement the Federal Mandate contained in 7 CFR Sections 273.12(a)(1)(i)(A), 273.12(a)(1)(i)(B), 273.12(a)(1)(i)(C)(2), and 273.21(f)(2)(v).

AUTHORITY AND REFERENCE CITATIONS

CDSS adopts these regulations under the authority granted in Welfare and Institutions Code Sections 10553, 10554, 10604, and 11369. Subject regulations implement and make specific 7 CFR 273.12(a)(1)(i)(A), 273.12(a)(1)(i)(B), 273.12(a)(1)(i)(C)(2), and 273.21(f)(2)(v).